

BASTION of FREEDOM

We the People —



"The wilderness and the solitary place shall be glad for them; and the desert shall rejoice, and blossom as the rose." Isaiah 35:1 And God has kept his promise. The desert has blossomed as the rose for all people who fled from tyranny and undertook the struggle for their own development in the spirit of equity and justice under equal and just laws.

The struggle was never easy, but it was fruitful in Egypt before the Pharaohs, in Greece before Pericles and Cleon, in Rome before the Caesars, and in America until Who can tell the name that history will give to freedom's destroyer if the people of America accept one.

When the Pilgrims arrived, America was a wilderness — grim, desolate and forbidding. They came, not for abundance, but for the equal and just opportunity to fend for themselves; to be self-reliant and self-determining. Before going ashore, they gathered together around the sea chest of the elder Bradford; and composed and adopted the concepts of law that would govern them. The three basic principles were: 1. They were equal to each other. They would not be ruled by any man, because each of them was equal to every other man. 2. They had equal authority for the creation of the law under which they were going to live. They would not live under a tyrant — but only under equal and just laws of their own making. 3. They accepted equal responsibility for the maintenance of the law they would mutually create; for it was certain that if equal and just laws were not enforced, inequity and injustice would result.

But The wilderness of promise did not respond immediately for the Pilgrims brought ashore with them the evils of the communal system. They faced starvation and many died because the common store could not support them. They finally rejected the communal system and began to prosper when they divided the land among themselves and assumed the human right to private property and its development as their all-important responsibility. Years later, Governor Bradford in his memoirs, asserted that want or famine had not plagued them from that day.²

It was not the genius of the pilgrims that made the difference and brought them a degree of prosperity they had never known. It was the incentive to work and develop on their own account and to enjoy the product of their toil. This startling thing called the private enterprise system made the difference and in the centuries since, the oppressed and the downtrodden from all the world have come to these shores, where there was nothing for them except equity and opportunity. The pilgrims knew all about injustice and inequity. In the old world, even though they were called free men, they were denied the possession of the product of their toil; the right to own the house in which they lived or the bed in which they slept.

Here in America, they sought to have and hold equal opportunity and enjoy the product of their toil. That is why America blossomed. But the arm of the tyrant spanned the ocean to impose his unjust laws and the armed forces of the tyrant held the colonists under subjugation. When it became intolerable, it produced the Revolutionary War. The enunciation of the superior rights of the individual to that of a tyrant had to be spelled out as being the American way. The Revolutionary War was over a year old when those principles were asserted in the Declaration of Independence.

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness." The Declaration went further and pointed out that ". . . when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them (the people) under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security." This Declaration of the sovereignty of the individual and his unalienable rights brought support to freedom's cause from all the world for it enunciated a principle of sublime purpose that mankind, everywhere, wanted to share.

When the booming of the cannons ceased at Yorktown in 1778, the colonists had won their independence. But their initial efforts to establish "Liberty for all" in the new nation, floundered. For over a decade, under the Articles of Confederation, there was strife and conflict, arguments and almost chaos. Finally, in the long hot summer of 1787, an extraordinary group of men met in Philadelphia and formulated the Constitution that would protect the rights of the individual from political domination.

The Constitution restrained government from meddling in the private affairs of any individual. It was this restraint of government that enabled Americans to make their desert blossom as the rose. America, a land of Freedom produced a new kind of nobility. Men who built things, invented things and developed things for the enrichment of all mankind. There was the genius of Edison who brought light to the world. The genius of Henry Ford who put the world on wheels. And the genius of the Wright Brothers who gave man wings. This was the genius of individuals free to think for themselves, free to shape and build products of their heart's desire. This is the story of America's greatness, before the instrumentalities of tyrants began to take root.

As the nation grew westward, the new states that were admitted to the Union were denied their heritage of equality with the other states, for Federal agencies withheld vast tracts of land. It is historic tradition that whatever political power holds the land can also hold the people on that land in subjugation. So the long, steady acquisition of land area for the central government in Washington took place. Then came the waters . . . for land without water is barren. The central government claimed control of the rivers and lakes; on the basis that if they were navigable at all, they came within the "interstate commerce" clause in Article I, Section 8. In due course it was ruled that if a matchstick would float, that constituted navigational potentials.³ With this the ancient principles of Riparian rights and the sovereignty of the States through which rivers flowed had been chipped away.

The people were told that these were minor infractions of the Constitution that would actually benefit them. The believers in the Constitution pointed out that this could not properly be done for the Constitution was explicit — its definitive terms, fine and clear. But Congress went right ahead adopting laws that infringed, only a little bit at a time. The courts went right ahead assuming powers that were never delegated to them in the Constitution; and the Executive Department bureaucracy began to mushroom as the controller of everything that was being taken from the people. There was a price tag involved in all of this — a price that someone would have to pay. But the people had immunity from direct taxation by the central government.

Article I, Section 9, Paragraph 4 of the Constitution clearly provides, that "No capitation, or other direct, Tax shall be laid, unless in Proportion to the Census or Enumeration herein before directed to be taken." That clause in the Constitution enabled the United States Supreme Court to void the individual income tax levied by Congress in the 1860's and in the 1890's.

The 16th Amendment provided the break-through. Hear what it says: "The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration." In these few words, the 16th Amendment abrogates all of the restrictions and the restraints on the levying of direct taxes upon the productive energies of the American people. It sets no minimums, no maximums. It permits the taking in any quantity whatsoever, at any time, from anybody, without any recourse.

To get the incredible 16th Amendment ratified, the usual faithless promises were made. The tax would never amount to more than 1% or 2% and it would be paid only by the rich people. But look at it now. It starts at 14% and progresses to 77% of one's taxable income.⁴ The more successful anyone becomes, the more severely he is penalized. The progressive income tax has turned loose other inequities. It has cast suspicion upon the integrity of the people and produced a vast bureaucracy with a flood of forms to invade the private lives of the people, their books, their papers, and harass them indefinitely to get that which the bureaucrats regard as their full pound of flesh. With this new power to seize enormous quantities of money from the American people, more improper expansions of government were perpetuated. These began to assume great importance with the approach of World War I.

At Muscle Shoals, Alabama, private enterprise proposed to build a nitrate plant. But they were denied the opportunity of using the Tennessee River for power because only government can do these big things. When Congress passed the 1916 National Defense Act,⁵ one tiny phrase in that act let loose one of the most gigantic political steals ever known to man. That phrase empowered the President "... to determine the best, cheapest, and most available means for the production of nitrates and other products for munitions...".⁶ There is nothing in the Constitution of the United States that empowers the Federal government to do anything of the kind. In fact, the limited and carefully stipulated powers of the federal government are particularly silent on anything even remotely connected with such a grab.

A number of the original 13 States had insisted that additional restrictive clauses be added to the Constitution so that the Federal Government could not misconstrue its powers. These first 10 Amendments are known as the Bill of Rights. The 9th Amendment asserts: "The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people." The 9th Amendment deals with the rights of the people. The 10th Amendment deals with their powers. It says: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

This clear language was ignored when the National Defense Act of 1916 authorized President Woodrow Wilson to launch a political empire known as the Muscle Shoals program. The pretense was the development of nitrates for the coming war. But there were no nitrates produced at Muscle Shoals during World War I. Although the government built two plants there and a dam across the Tennessee River, no electric power reached these nitrate production facilities until 1925 — seven years after World War I and the supposed need for them was all over. Even then, it was found that both plants were totally inadequate.

The corruption of Muscle Shoals was so vast and ruthless that it was politically necessary that it be destroyed. In 1933, President Franklin Roosevelt signed the law that abolished the Muscle Shoals Project . . . by replacing it with the Tennessee Valley Authority,⁷ which multiplied to an incredible level, the corruption of the Muscle Shoals fiasco. From then to June 30, 1968, the Tennessee Valley Authority has consumed \$3,670,664,000,⁸ and its cost continues to grow even though much of its operating expenses are charged to other government agencies, it pays no rent, and pays no taxes at any level of government. 83% of the investment in T.V.A. is in the development and distribution of electric power⁹ . . . without ANY Constitutional authorization what-so-ever.

TVA is doing what private enterprise could have done more efficiently, more effectively and still paid taxes during these intervening years. Politicians and other riders on the TVA bandwagon attempt to refute the fact that TVA does not pay local, state or federal taxes by claiming that it pays something called "in lieu of taxes". They fail to mention that these token payments bear no resemblance to the taxes private enterprise of the same character would pay in the area. Despite the asserted advantages of having a government-owned power system, the annual per capita income of the people in the Tennessee Valley Region is further behind the national average today than when TVA began almost 4 decades ago.¹⁰

But once the TVA precedent was established, the same technique was used in the Pacific Northwest for nationalizing the Columbia River. The game was the same, the name simply changed to Bonneville.¹¹ The development of Bonneville marked the beginning of abolition of the States themselves.

A map was prepared in the Department of the Interior and legislation actually introduced, to divide the country into 9 T.V.A. style authorities, each governed by three appointees of the President!¹² Public reaction to the idea was so abrupt that it was temporarily shelved . . . probably waiting to reappear when the time is ripe.

Mr. C. Petrus Peterson, a president of the National Reclamation Association, explained how such serious violations of the Constitution can actually take place. "It is not that the representatives of the American people have ever decided on nationalization of the electrical industry. Rather the swing had taken place by administrative interpretations of legislative enactments or, in the absence thereof,

by reliance on the asserted existence of implied powers." "This is the secret of the bureaucratic technique.

By twisting the meaning of words, reinterpreting legislation, relying on assertions of implications, and by brazenly redefining the literal terms of the Constitution itself, bureaucrats assign themselves total power in whatever they wish. No tyrant could ever do more.

The constant chipping away at private enterprise, once begun, was pushed steadily. The first efforts in this direction in World War I became minor by comparison to those initiated in the depression and during and after World War II. One of the principle tools used in the continuing encroachment into private enterprise was the Reconstruction Finance Corporation; a government-owned finance company that showered the tax-payers dollars on selected businesses . . . that had the blessings of the bureaucracy. One such business was the Lustron Corporation of Ohio which borrowed \$37.5 million tax dollars from the RFC¹⁴ on the strength of their blueprints on how to construct prefabricated houses. They received the last couple of million dollars from the RFC just a few weeks before going bankrupt. Lustron is but one of the strange schemes that was uncovered when the RFC fiasco was finally exposed.

The plundering of the American people should have been no surprise, for the Federal budget is a matter of public record. Unfortunately, few people ever read the budget. On page A-10 of the 1950 Budget of the United States, it was reported that during the single year of 1948, the RFC cancelled more than 10 billion dollars in loans. Just whose loans were cancelled is not shown. In July 1953, Congress passed Public Law #163. Title I provided for the liquidation of the Reconstruction Finance Corporation,¹⁵ which certainly appeared to be a giant step in the right direction. But Title II of the same act created the Small Business Administration.¹⁶ All residuary powers of the RFC were simply transferred to this new political entity and the already existing General Services Administration. The SBA and the GSA still exist because sufficient public resentment to their plundering of the tax-payer has not been aroused.

There are over 700 government agencies, owning and operating political enterprises in competition with citizen-owned enterprises,¹⁷ without any constitutional authority for doing so. They control an estimated 20% of the industrial capacities of the United States and cover almost every kind of business . . . including railroads, finance companies, fertilizer production, mining, insurance companies as well as electric power companies, to name just a few. These political empires are not only operated without proper authority, they are operated very poorly. Their annual cost to the American taxpayer is in the billions of dollars, equal to about 1/2 of the federal government's annual spending.

Even more disturbing is the revelation that the Department of the Interior claims custody of 750 million acres of land¹⁸ and the Forest Service, an agency of the Department of Agriculture, administers 186,500,000 acres.¹⁹ This means that over 40% of the land and water area of the United States is controlled by these two government agencies. This is a land area greater than the land mass of Europe.

"Nominalism", the twisting of words to mean something other than what they were intended to mean, was the first route employed to prostitute the Constitution. This has been supplemented by statutory laws, executive orders, judicial decisions and bureaucratic directives; the results of which have rendered the Constitution ineffective as a restraint of governmental activities. But there is no need for submission to this tragic development. The people have the means to re-establish the Constitution as the supreme law of the land, and in doing so, can abolish all the powers which have been improperly assumed by those in government.

Adoption of the proposed Liberty Amendment would probably be the single most effective step in the restoration of the Constitution. The Liberty Amendment was originally introduced in Congress by the Honorable James B. Utt, Congressman from California. This proposed Constitutional Amendment is based on the information developed by a group of concerned citizens that comprise The Liberty Amendment Committee of the U.S.A. This independent citizens-organization has national headquarters in Los Angeles and local committees in every State of the Union.

Mr. Willis E. Stone, National Chairman of the Liberty Amendment Committee of the U.S.A., in his more than 20 years of research through

countless official government records and reports has unquestioningly become the nation's most knowledgeable authority on the subject of government enterprises that operate without Constitutional sanction. Here is Mr. Stone to briefly explain the Liberty Amendment.

The Liberty Amendment is designed to restore true meaning to words and thus put the literal meaning of the Constitution back into force and effect. It consists of just four sections. The first section provides that: "The Government of the United States shall not engage in any business, professional, commercial, financial or industrial enterprise except as specified in the Constitution." Those last six words, "except as specified in the Constitution" are a reconfirmation of every power delegated to the United States government by the Constitution.

Enterprises that are provided for in the Constitution, such as the Post Office and the Patent Office, would continue; but a firm line of demarcation would be established between the properly authorized functions of government and those that have been usurped without Constitutional authority. Let me take this out of sequence for a moment and refer to Section 3 which states: "The activities of the United States Government which violate the intent and purposes of this amendment shall, within a period of three years from the date of the ratification of this amendment, be liquidated and the properties and facilities affected shall be sold." Several methods of selling these enterprises could be employed.

In 1965 the United States Government-owned GAF Corp. was disposed of by offering the stock to the public. The 11 million shares of stock were bought within a matter of hours and the government realized more than \$300 million from the transaction.²⁰ Government enterprises that could not be disposed of in this manner could be sold on a bid basis or at public auction. The 1968 report of the House Committee on Government Operations lists all Government-owned properties and appraises their total value to be \$400 billion.²¹ About 1/2 of this would be subject to sale back to the people and if they were sold for only 50% of their appraised value . . . the Government would receive \$100 billion which could be applied to the National debt. The few properties that have been sold by the government, generally sold for 2 to 3 times their appraised value, so the figure of \$100 billion is extremely modest.

Section 4 states: "Three years after the ratification of this amendment the sixteenth article of amendments to the Constitution of the United States shall stand repealed and thereafter Congress shall not levy taxes on personal incomes, estates, and/or gifts". The feasibility of this section is easily demonstrated.

Government taxes on individual incomes, estates and gifts (levied under the authority of the 16th Amendment), actually account for less than 50% of the total government income from all sources in any fiscal year. Approximately 1/2 of the annual government expenditures is devoted to subsidizing and paying the losses and hidden costs of Governmental enterprises that exist without Constitutional authority. The elimination of these unauthorized enterprises would reduce government spending drastically and end the need for taxes on individual incomes, estates and gifts.

Now let's go back to Section 2 which states: "The constitution or laws of any State, or the laws of the United States, shall not be subject to the terms of any foreign or domestic agreement which would abrogate this amendment". This completes the Liberty Amendment. It is a legal instrument in legal terms designed to stop foreign control of our domestic affairs. It will protect our national independence and your personal liberties under the Constitution as the supreme law.

Future amendments could be added to the Constitution if the people wanted to give the government more responsibilities . . . but the gains made by the enactment of the Liberty Amendment could not be taken away by the manipulations of unprincipled or even well-meaning politicians anywhere.

The benefits that will flow to the people and the Government as a result of re-establishing the Constitution to full force and

effect under the terms of the Liberty Amendment are numerous. Instead of the people being ground down under an inhuman load of individual income taxes, they will begin receiving full day's pay for a full day's labor. Instead of conflict between government and people regarding which shall own and operate the enterprises created by the people; government will be devoted to protecting the people's lives and properties, as the Constitution provided. Instead of the Federal Government operating in the red, at an average deficit of \$10 billion per year as it has during recent years; we can have the budget balanced, amply maintain all Constitutionally authorized functions of government including any national defense efforts and pay off the national debt at a rapid rate. Instead of the Federal Government being the largest pauper in history, owing over \$368 billion;² it will be returned to a solvent position and regain the affection of the American people.

The Liberty Amendment has recently been reintroduced by Honorable John R. Rarick, Congressman from Louisiana. It is pending in Congress as H.J. Resolution 23.³ In addition to this action at the national level, it has already been officially approved by the State Legislatures of Wyoming, Texas, Nevada, Louisiana, Georgia, South Carolina and Mississippi . . . with action being proposed in almost every other State Legislature.

When enough informed and concerned citizens demand that their State Representatives approve the Liberty Amendment; the Liberty Amendment will be enacted . . . and the Constitution of the United States, drafted by these wise men almost two centuries ago, will once again become an effective protector of the people's lives and properties as it was intended to be.

Thank you Mr. Willis E. Stone, National Chairman of the Liberty Amendment Committee of the U.S.A. For thousands of years people had lived under governments headed by Pharaohs, and Caesars, and Czars, and Kings, and Emperors . . . an endless number of despots who ruled the people through force. But the roles of man and government were completely reversed as a result of the American Revolution. Government was established under man, as a servant to protect man's God-given rights. Under this concept of man and government, the United States of America grew in stature and the people prospered, because their government was a blessing.

But many of the people began taking this blessing for granted, ignoring the warning of George Washington: "Government is not reason, it is not eloquence — it is force! Like fire, it is a dangerous servant and a fearful master." In the years since Washington spoke those words, the Federal government has grown in size a thousand-fold and the age-old corrupt concept of man under government is about to become a ghastly reality in America . . . unless the chains of the Constitution are restored to the government.

Those in Congress must begin judging proposals, programs and appropriations, first and foremost on the basis of: Is it Constitutionally authorized? All other considerations must be secondary. Any who are unable or unwilling to apply this standard should be replaced.

The people of this nation have the power yet to restore their government to its proper role as servant of the people . . . rather than ruler of the people. But they must end their apathy and become informed, vigilant, active citizens . . . willing to exercise the rights and meet the responsibilities of Freedom.

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